

SECOND REGULAR SESSION

SENATE BILL NO. 1055

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR GOODMAN.

Read 1st time January 30, 2008, and ordered printed.

TERRY L. SPIELER, Secretary.

4646S.011

AN ACT

To repeal sections 303.400, 303.403, 303.406, 303.409, 303.412, and 303.415, RSMo, and to enact in lieu thereof five new sections relating to the reinstatement of the motorist insurance identification database program, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 303.400, 303.403, 303.406, 303.409, 303.412, and
2 303.415, RSMo, are repealed and five new sections enacted in lieu thereof, to be
3 known as sections 303.400, 303.403, 303.406, 303.409, and 303.412, to read as
4 follows:

303.400. The provisions of sections 303.400 to [303.415] **303.412** shall be
2 known as the "Motorist Insurance Identification Database Act".

303.403. As used in sections 303.400 to [303.415] **303.412**, the following
2 terms mean:

- 3 (1) "Database", the motorist insurance identification database;
- 4 (2) "Department", the department of revenue;
- 5 (3) "Designated agent", the party with which the department contracts to
6 implement the motorist insurance identification database;
- 7 (4) "Program", the motorist insurance identification database program.

303.406. 1. The "Motorist Insurance Identification Database" is hereby
2 created for the purpose of establishing a database to use to verify compliance with
3 the motor vehicle financial responsibility requirements of this chapter. The
4 program shall be administered by the department and shall receive funding from
5 the "Motorist Insurance Identification Database Fund", which is hereby created
6 in the state treasury. Effective July 1, [2002] **2009**, the state treasurer shall

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

7 credit to and deposit in the motorist insurance identification database fund six
8 percent of the net general revenue portion received from collections of the
9 insurance premiums tax levied and collected pursuant to sections 148.310 to
10 148.461, RSMo.

11 2. To implement the program, the department may by July 1, [2002]
12 **2009**, contract with a designated agent which shall monitor compliance with the
13 motor vehicle financial responsibility requirements of this chapter, except that
14 the program shall not be implemented to notify owners of registered motor
15 vehicles until the department certifies that the accuracy rate of the program
16 exceeds ninety-five percent in correctly identifying owners of registered motor
17 vehicles as having maintained or failed to maintain financial responsibility. After
18 the department has entered into a contract with a designated agent, the
19 department shall convene a working group for the purpose of facilitating the
20 implementation of the program.

21 3. The designated agent, using its own computer network, shall, no later
22 than December 31, [2002] **2009**, develop, deliver and maintain a computer
23 database with information provided by:

24 (1) Insurers, pursuant to sections 303.400 to [303.415] **303.412**; except
25 that, any person who qualifies as self-insured pursuant to this chapter, or
26 provides proof of insurance to the director pursuant to the provisions of section
27 303.160, shall not be required to provide information to the designated agent, but
28 the state shall supply these records to the designated agent for inclusion in the
29 database; and

30 (2) The department, which shall provide the designated agent with the
31 name, date of birth and address of all persons in its computer database, and the
32 make, year and vehicle identification number of all registered motor vehicles.

33 4. The department shall establish guidelines for the designated agent's
34 development of the computer database so the database can be easily accessed by
35 state and local law enforcement agencies within procedures already established,
36 and shall not require additional computer keystrokes or other additional
37 procedures by dispatch or law enforcement personnel. Once the database is
38 operational, the designated agent shall, at least monthly, update the database
39 with information provided by insurers and the department, and compare
40 then-current motor vehicle registrations against the database.

41 5. Information provided to the designated agent by insurers and the
42 department for inclusion in the database established pursuant to this section is

43 the property of the insurer or the department, as the case may be, and is not
44 subject to disclosure pursuant to chapter 610, RSMo. Such information may not
45 be disclosed except as follows:

46 (1) The designated agent shall verify a person's insurance coverage upon
47 request by any state or local government agency investigating, litigating or
48 enforcing such person's compliance with the motor vehicle financial responsibility
49 requirements of this chapter;

50 (2) The department shall disclose whether an individual is maintaining
51 the required insurance coverage upon request of the following individuals and
52 agencies only:

53 (a) The individual;

54 (b) The parent or legal guardian of an individual if the individual is an
55 unemancipated minor;

56 (c) The legal guardian of the individual if the individual is legally
57 incapacitated;

58 (d) Any person who has power of attorney from the individual;

59 (e) Any person who submits a notarized release from the individual that
60 is dated no more than ninety days before the request is made;

61 (f) Any person claiming loss or injury in a motor vehicle accident in which
62 the individual is involved;

63 (g) The office of the state auditor, for the purpose of conducting any audit
64 authorized by law.

65 6. Any person or agency who knowingly discloses information from the
66 database for any purpose, or to a person, other than those authorized in this
67 section is guilty of a class A misdemeanor. The state shall not be liable to any
68 person for gathering, managing or using information in the database pursuant to
69 this section. The designated agent shall not be liable to any person for
70 performing its duties pursuant to this section unless and to the extent such agent
71 commits a willful and wanton act or omission or is negligent. The designated
72 agent shall be liable to any insurer damaged by the designated agent's negligent
73 failure to protect the confidentiality of the information and data disclosed by the
74 insurer to the designated agent. The designated agent shall provide to this state
75 an errors and omissions insurance policy covering such agent in an appropriate
76 amount. No insurer shall be liable to any person for performing its duties
77 pursuant to this section unless and to the extent the insurer commits a willful
78 and wanton act of omission.

79 7. The department shall review the operation and performance of the
80 motorist insurance identification database program to determine whether the
81 number of uninsured motorists has declined during the first three years following
82 implementation and shall submit a report of its findings to the general assembly
83 no later than January fifteenth of the year following the third complete year of
84 implementation. The department shall make copies of its report available to each
85 member of the general assembly.

86 8. This section shall not supersede other actions or penalties that may be
87 taken or imposed for violation of the motor vehicle financial responsibility
88 requirements of this chapter.

89 9. The working group as provided for in subsection 2 of this section shall
90 consist of representatives from the insurance industry, department of insurance,
91 department of public safety and the department of revenue. The director of
92 revenue, after consultation with the working group, shall promulgate any rules
93 and regulations necessary to administer and enforce this section. No rule or
94 portion of a rule promulgated pursuant to the authority of this section shall
95 become effective unless it has been promulgated pursuant to the provisions of
96 chapter 536, RSMo.

303.409. 1. If the motorist insurance identification database indicates the
2 owner of a registered motor vehicle has, regardless of the owner's operation of
3 such motor vehicle, failed to maintain the financial responsibility required in
4 section 303.025 for two consecutive months, the designated agent shall on behalf
5 of the director **of the department of revenue** inform the owner that the
6 director **of the department of revenue** will suspend the owner's vehicle
7 registration if the owner does not present proof of insurance as prescribed by the
8 director **of the department of revenue** within thirty days from the date of
9 mailing. The designated agent shall not select owners of fleet or rental vehicles
10 or vehicles that are insured pursuant to a commercial line policy for notification
11 to determine motor vehicle liability coverage. The director **of the department**
12 **of revenue** may prescribe rules and regulations necessary for the
13 implementation of this subsection. The notice issued to the vehicle owner by the
14 designated agent shall be sent to the last known address shown on the
15 department's records. The notice is deemed received three days after
16 mailing. The notice of suspension shall clearly specify the reason and statutory
17 grounds for the suspension and the effective date of the suspension, the right of
18 the person to request a hearing, the procedure for requesting a hearing and the

19 date by which that request for a hearing must be made. The suspension shall
20 become effective thirty days after the subject person is deemed to have received
21 the notice of suspension by first class mail as provided in section 303.041. If the
22 request for a hearing is received prior to the effective date of the suspension, the
23 effective date of the suspension will be stayed until a final order is issued
24 following the hearing; however, any delay in the hearing which is caused or
25 requested by the subject person or counsel representing that person without good
26 cause shown shall not result in a stay of the suspension during the period of
27 delay.

28 2. Neither the fact that, subsequent to the date of verification, the owner
29 acquired the required liability insurance policy nor the fact that the owner
30 terminated ownership of the motor vehicle shall have any bearing upon the
31 director's decision to suspend. The suspension shall remain in force until
32 termination despite the renewal of registration or acquisition of a new
33 registration for the motor vehicle. The suspension shall also apply to any motor
34 vehicle to which the owner transfers the registration.

35 3. Upon receipt of notification from the designated agent, the director **of**
36 **the department of revenue** shall suspend the owner's vehicle registration
37 effective immediately. The suspension period shall be as follows:

38 (1) If the person's record shows no prior violation, the director **of the**
39 **department of revenue** shall terminate the suspension upon payment of a
40 reinstatement fee of twenty dollars and submission of proof of insurance, as
41 prescribed by the director **of the department of revenue**;

42 (2) If the person's record shows one prior violation for failure to maintain
43 financial responsibility within the immediately preceding two years, the director
44 **of the department of revenue** shall terminate the suspension ninety days
45 after its effective date upon payment of a reinstatement fee of two hundred
46 dollars and submission of proof of insurance, as prescribed by the director **of the**
47 **department of revenue**;

48 (3) If the person's record shows two or more prior violations for failure to
49 maintain financial responsibility, the period of suspension shall terminate one
50 year after its effective date upon payment of a reinstatement fee of four hundred
51 dollars and submission of proof of insurance, as prescribed by the director **of the**
52 **department of revenue**.

53 4. In the event that proof of insurance as prescribed by the director **of the**
54 **department of revenue** has not been filed with the department of revenue in

55 accordance with this chapter prior to the end of the period of suspension provided
56 in this section, such period of suspension shall be extended until such proof of
57 insurance has been filed. In no event shall filing proof of insurance reduce any
58 period of suspension. If proof of insurance is not maintained during the
59 three-year period following the reinstatement or termination of the suspension,
60 the director **of the department of revenue** shall again suspend the license and
61 motor vehicle registration until proof of insurance is filed or the three-year period
62 has elapsed. In no event shall filing proof of insurance reduce any period of
63 suspension.

64 5. Notwithstanding the provisions of subsection 1 of this section, the
65 director **of the department of revenue** shall not suspend the registration or
66 registrations of any owner who establishes to the satisfaction of the director **of**
67 **the department of revenue** that the owner's motor vehicle was inoperable or
68 being stored and not operated on the date proof of financial responsibility is
69 required by the director.

303.412. 1. Beginning March 1, [2003] **2009**, before the seventh working
2 date of each calendar month, all licensed insurance companies in this state shall
3 provide to the designated agent a record of all policies in effect on the last day of
4 the preceding month. This subsection shall not prohibit more frequent reporting.

5 2. The record pursuant to subsection 1 of this section shall include the
6 following:

7 (1) The name, date of birth, driver's license number and address of each
8 insured;

9 (2) The make, year and vehicle identification number of each insured
10 motor vehicle;

11 (3) The policy number and effective date of the policy.

12 3. The department of revenue shall notify the department of insurance of
13 any insurer who violates any provisions of this act. The department of insurance
14 may, against any insurer who fails to comply with this section, assess a fine not
15 greater than one thousand dollars per day of noncompliance. The department of
16 revenue may assess a fine not greater than one thousand dollars per day against
17 the designated agent for failure to complete the project by the dates designated
18 in sections 303.400 to [303.415] **303.412** unless the delay is deemed beyond the
19 control of the designated agent or the designated agent provides acceptable proof
20 that such a noncompliance was inadvertent, accidental or the result of excusable
21 neglect. The department of insurance shall excuse the fine against any insurer

22 if an assessed insurer provides acceptable proof that such insurer's
23 noncompliance was inadvertent, accidental or the result of excusable neglect.

2 [303.415. 1. Sections 303.400 and 303.403 shall become
effective on July 1, 2002, and shall expire on June 30, 2007.

3 2. The enactment of section 303.025, and the repeal and
4 reenactment of sections 303.406, 303.409, 303.412 and 303.415
5 shall become effective July 1, 2002 and sections 303.406, 303.409
6 and 303.412 shall expire on June 30, 2007.]

Unofficial ✓

Bill

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